



## North Carolina Department of Health and Human Services

Michael F. Easley, Governor

Dempsey Benton, Secretary

### Division of Mental Health, Developmental Disabilities and Substance Abuse Services

3001 Mail Service Center  
Raleigh, North Carolina 27699-3001  
Tel 919-733-7011 • Fax 919-508-0951  
Michael Moseley, Director

### Division of Medical Assistance

2501 Mail Service Center  
Raleigh, North Carolina 27699-2501  
Tel 919-855-4100 • Fax 919-733-6608  
William W. Lawrence, Jr., MD, Acting Director

February 19, 2008

### MEMORANDUM

**TO:** Legislative Oversight Committee Members    Commission for MH/DD/SAS  
Local CFAC Chairs    State CFAC  
NC Council of Community Programs    NC Assoc. of County Commissioners  
County Managers    County Board Chairs  
State Facility Directors    LME Directors  
LME Board Chairs    DHHS Division Directors  
Advocacy Organizations    Provider Organizations  
MH/DD/SAS Stakeholder Organizations    NC Assoc. of County DSS Directors

**FROM:** William W. Lawrence, Jr., MD

A handwritten signature in black ink, appearing to read "W. Lawrence, Jr.".

Mike Moseley

A handwritten signature in black ink, appearing to read "Mike Moseley".

**SUBJECT:** **Special Implementation Update #40:** Extension of Transition Period until **October 31, 2008** for CAP-MR/DD Services and Supports Provided by Guardians and Family Members

On September 21, 2007 we announced that the Centers for Medicare and Medicaid Services (CMS) had approved a technical amendment to NC's Medicaid waiver for services and supports to individuals with developmental disabilities to include a new policy regarding services and supports provided by legal guardians and relatives of the waiver recipient. CMS had required NC to transition to the new policy within six months, or by February 22, 2008. Since that time waiver recipients and their families, Local Management Entities (LMEs), and case management agencies have worked together to identify alternative caregivers for families affected by the new policy. Those efforts have been successful for the vast majority of the more than 9,500 individuals served through the waiver. However, there are still 16 families for which the transition planning has not yet been completed. In order to ensure a smooth transition for this small group of remaining consumers, the Department of Health and Human Services requested and received approval from CMS to extend the transition period for these remaining individuals. CMS has granted this extension until October 31, 2008.

During upcoming months, DHHS and the LMEs will continue to work with these 16 families to address any remaining obstacles to engaging alternative caregivers. Strategies may include employing other family members who do not live in the home with the waiver recipient. In accordance with the new policy, family members living with the recipient may be paid to provide an average of 50 hours of life-skills training and personal care services each week and family members not living in the same household may be paid for an additional 50 hours, in cases where that unusually high level of service and support is medically necessary. In situations where friends or family are not available or appropriate to be paid caregivers, the LME will identify a qualified provider agency that can provide non-related workers to meet the recipient's need for training and assistance with activities of daily living, such as bathing, dressing, etc. These are basic services, not nursing services.

Also during this period, we will be developing a series of tiered waivers to replace our current CAP-MR/DD waiver. As has been reported in our previous Implementation Updates, the development and implementation of a series of tiered waivers is a requirement from the General Assembly contained in S. L. 2007-323 Section 10.49(dd). The new waivers will also address the issue of paid services and supports delivered by guardians and family members.

We are pleased that CMS has granted us this extension so that we can work with these 16 families to complete the transition in an orderly fashion and develop the tiered waivers required by the General Assembly. We also want to recognize the LMEs and case management agencies who have worked diligently in the past six months to transition the vast majority of families and recipients to the new policy. Ultimately, this new policy will be better for all involved. It allows families to provide a reasonable amount of patient care, but ensures that patient care is not compromised as a result of caregiver burnout from providing excessive hours of service.

cc: Secretary Dempsey Benton  
Dan Stewart  
DMH/DD/SAS Executive Leadership Team  
DMA Deputy and Assistant Directors  
Christina Carter  
Sharnese Ransome  
Kaye Holder  
Wayne Williams  
Shawn Parker  
Andrea Poole  
Mark Van Sciver  
Brad Deen